

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



August 8, 2002

**EXTENDED OPPORTUNITY TO COMMENT ON AMENDED AND RESTATED
ADDENDUM TO SUMMARY OF MATERIAL TERMS FOR DWR BONDS
INCLUDING ADDITIONAL CHANGE REQUESTED BY DWR ON 8/8**

The Department of Water Resources ("DWR") previously submitted to the Commission a proposed Amended and Restated Addendum to Summary of Material Terms of Financing Documents (the "Restated Addendum"), under a cover letter dated August 6, 2002. The Restated Addendum would replace the Addendum to Summary of Material Terms (the "July Addendum") which the Commission considered at its meeting on July 17, 2002. The Restated Addendum supplements and amends the Summary of Material Terms of Financing Documents (the "Summary") which was attached to a memorandum dated February 21, 2002 from the Department to the Commission. The Commission had been scheduled to consider the Restated Addendum at its meeting on August 8th.

On August 8th, DWR sent a memo to the Commission requesting that a dollar amount included in Paragraph 16 of the Restated Addendum be increased. The Commission did not act on the proposed Restated Addendum at its meeting on August 8th and is now scheduled to consider the matter at a continuation meeting on August 12th.

The Commission has previously authorized its General Counsel to issue whatever certificate, opinion, or similar documentation is necessary to verify DWR's compliance with the portions of Section 7.10 of the Rate Agreement that relate to the Summary of Material Terms, so long as the financing documents fall within the parameters of the February 21st Summary as modified by the July Addendum. At its meeting on August 12th, the Commission will consider whether it should modify this authorization to the General Counsel to reflect the terms of the Restated Addendum as well.

**ANYONE WISHING TO COMMENT ON THE PROPOSED RESTATED ADDENDUM
MAY DO SO, BY E-MAIL.**

There is no need to re-submit comments previously submitted for the August 8th meeting. Additional e-mail comments may now be submitted by anyone, whether or not they have previously commented on this matter. These comments may address either, or both, the August 6th and August 8th DWR submissions.

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THE E-MAIL SHOULD BE ADDRESSED TO: jtp@cpuc.ca.gov AND THE SUBJECT LINE SHOULD READ: Comments on Restated Addendum to Summary of Material Terms.

THIS E-MAIL MUST BE RECEIVED NO LATER THAN NOON PDT ON MONDAY AUGUST 12, AND WE WOULD PREFER TO RECEIVE COMMENTS EARLIER.

Joel T. Perlstein
Senior Counsel

JTP:mfd

Attachments: DWR Transmittal Letter, dated 8/6, re Restated Addendum to Summary of Material Terms for DWR Bonds

Amended and Restated Addendum to Summary of Material Terms for DWR Bonds [8/6]

Redlined Amended and Restated Addendum to Summary of Material Terms for DWR Bonds [comparing 8/6 and 7/17 versions]

DWR Transmittal letter, dated 8/8, requesting change to Restated Addendum

Amended and Restated Addendum to Summary of Material Terms for DWR Bonds [8/8]